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Senate working to improve Medicaid program

LANSING – Legislation aimed at helping make Michigan citizens healthier passed the Senate Appropriations Committee today, said Sen. Tom George, R-Texas Township.

“Medicaid has been treating only symptoms for too long,” said George, the only physician in the Senate. “The waiver process is an opportunity to change Medicaid so that it is more than simply a payment system but a mechanism that helps its clients to be healthy. This is part of a package aimed at making both private and public health insurance more interactive and merit-based.”

Senate Bill 1255, sponsored by George, would require that the Department of Community Health include the following in their request to the federal government for a Medicaid waiver:

- Use Medicaid funds to create an incentive program for Medicaid recipients. The program would provide additional benefits or reduced cost sharing to recipients who practiced positive health behavior.
- Permit the Department of Community Health to create a pay-for-performance program for Medicaid health maintenance organizations (HMOs). Through this program, Medicaid HMOs could receive incentive payments if they met outcome targets established by the Department related to their members' management of chronic disease and compliance.
- Permit the DCH to work with Medicaid HMOs and provider organizations to create a preferred provider program for durable medical equipment.
- Permit the DCH to use Medicaid funds to provide financial support for health information technology initiatives.

SB 1255 now goes before the full Senate for consideration.

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